

**REGULAR WEEKLY SESSION-----ROANOKE CITY COUNCIL**

**February 2, 2004**

**9:00 a.m.**

**The Council of the City of Roanoke met in regular session on Monday, February 2, 2004, at 9:00 a.m., the regular meeting hour, in the Emergency Operations Center Conference Room, Room 159, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, Virginia, with Mayor Ralph K. Smith presiding, pursuant to Chapter 2, Administration, Article II, City Council, Section 2- 15, Rules of Procedure, Rule 1, Regular Meetings, Code of the City of Roanoke (1979), as amended; and pursuant to Resolution No. 36193-010603 adopted on January 6, 2003, which changed the time of commencement of the regular meeting of Council to be held on the first Monday in each month from 12:15 p.m. to 9:00 a.m.**

**PRESENT: Council Members William D. Bestpitch, M. Rupert Cutler, Alfred T. Dowe, Jr. (arrived late), Beverly T. Fitzpatrick, Jr., C. Nelson Harris, Linda F. Wyatt and Mayor Ralph K. Smith-----7.**

**ABSENT: None-----0.**

**OFFICERS PRESENT: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.**

**COMMITTEES-CITY COUNCIL: A communication from Mayor Ralph K. Smith requesting that Council convene in a Closed Meeting to discuss vacancies on certain authorities, boards, commissions and committees appointed by Council, pursuant to Section 2.2-3711 (A)(1), Code of Virginia (1950), as amended, was before the body.**

**Mr. Cutler moved that Council concur in the request of the Mayor to convene in Closed Meeting as above described. The motion was seconded by Mr. Fitzpatrick and adopted by the following vote:**

**AYES: Council Members Bestpitch, Cutler, Fitzpatrick, Harris, Wyatt and Mayor Smith-----6.**

**NAYS: None-----0.**

**(Council Member Dowe was not present when the vote was recorded.)**

**PURCHASE/SALE OF PROPERTY-CITY PROPERTY-CITY COUNCIL: A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss acquisition of real property for a public purpose, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to Section 2.2-3711(A)(3), Code of Virginia (1950), as amended, was before the body.**

**Mr. Cutler moved that Council concur in the request of the City Manager to convene in a Closed Meeting as above described. The motion was seconded by Mr. Fitzpatrick and adopted by the following vote:**

**AYES: Council Members Bestpitch, Cutler, Fitzpatrick, Harris, Wyatt and Mayor Smith-----6.**

**NAYS: None-----0.**

**(Council Member Dowe was not present when the vote was recorded.)**

**PURCHASE/SALE OF PROPERTY-CITY PROPERTY-CITY COUNCIL: A communication from the City Manager requesting that Council convene in a Closed Meeting to discuss disposition of publicly-owned property, where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the public body, pursuant to Section 2.2-3711(A)(3), Code of Virginia (1950), as amended, was before the body.**

**Mr. Cutler moved that Council concur in the request of the City Manager to convene in a Closed Meeting as above described. The motion was seconded by Mr. Fitzpatrick and adopted by the following vote:**

**AYES: Council Members Bestpitch, Cutler, Fitzpatrick, Harris, Wyatt and Mayor Smith-----6.**

**NAYS: None-----0.**

**(Council Member Dowe was not present when the vote was recorded.)**

**ITEMS LISTED ON THE 2:00 P.M. COUNCIL DOCKET REQUIRING DISCUSSION/CLARIFICATION; AND ADDITIONS/DELETIONS TO THE 2:00 P.M. DOCKET: None.**

**(Council Member Dowe entered the meeting.**

**TOPICS FOR DISCUSSION BY THE MAYOR AND MEMBERS OF COUNCIL:**

**Council Liaison Committee Assignments:**

**Council Member Cutler reported on the following:**

**ROANOKE ARTS COMMISSION:**

**A major preoccupation of the Roanoke Arts Commission has been to set the stage for drafting and review by Council of a Public Art Plan for the City of Roanoke. The Commission has reviewed art plans from other cities around the country and the Chairman will appear before Council at its next meeting on Tuesday, February 17, 2004, to request that a portion of the funds set aside for Percent for the Arts be used to engage a consultant to oversee the preparation of a Public Art Plan, which would eventually become a part of the City's Comprehensive Plan.**

**PARKS AND PLAYGROUNDS:**

**Mill Mountain Advisory Committee:**

**The Mill Mountain Advisory Committee held a strategic planning retreat and concluded that the City, in conjunction with the Committee, should prepare a true comprehensive master plan for Mill Mountain Park, which would cover the entire park and not just the so called developable flat area on the top of the mountain, identify steep slopes and other areas that, for various reasons, watershed protection or scenic value protection, etc., should remain undeveloped, which could lead to a recommendation for a conservation easement for a portion of the Park to protect in perpetuity.**

**FIFTH PLANNING DISTRICT COMMISSION:**

**Roanoke Valley Allegheny Regional Commission:**

Initiatives by the Roanoke Valley Allegheny Regional Commission related to the City include the ozone action plan, the bikeway plan, the brown field inventory, and the regional long range water supply study.

**WATER RESOURCES:**

**Western Virginia Water Authority:**

The Board of Directors of the Western Virginia Water Authority has met on several occasions, and a request for proposals will be advertised in the near future for legal counsel to represent the Authority, proposals will be reviewed by a committee and a recommendation will be made to the Board of Directors. A meeting of the Council and the Roanoke County Board of Supervisors will be held on Tuesday, February 10, 2004, at which time Black and Veatch, Consultants, will submit a recommendation regarding a period of time over which water and sewer rates in Roanoke City and Roanoke County will be equalized.

**Council Member Wyatt reported on the following:**

**ROANOKE CIVIC CENTER-HOCKEY:**

**Roanoke Civic Center Commission:**

The contract with the Roanoke Express hockey team is under review; there appears to be a good working relationship between the Director of Civic Facilities and the General Manager of the Roanoke Express and both parties are looking at new and innovative ways to make the contract workable for both the City and the Roanoke Express.

Plans for Civic Center improvements are proceeding and an improvement in the overall cleanliness of the Civic Center has been noticed.

**Roanoke Neighborhood Development Corporation:**

The project is proceeding and some progress has been made.

**Vice-Mayor Harris reported on the following:**

## **HOUSING/AUTHORITY:**

### **Roanoke Redevelopment and Housing Authority:**

**Council Members are provided with monthly updates on Housing Authority activities/projects; monthly breakfast meetings continue to be held on the last Thursday of each month and a Member of Council is invited each month. (Council Members Fitzpatrick and Dowe indicated that because of their work schedules, they are unable to attend on the last Thursday of each month.)**

## **SCHOOLS:**

### **Organizing Committee - School Safety Task Force:**

**The School Safety Task Force recently held public forums at four locations throughout the City which were attended by approximately 125 persons; approximately 5000 student surveys will be sent to students in fourth, sixth, eighth, ninth and eleventh grades to obtain their perception and impressions of school safety; the Roanoke Education Association is conducting a teacher survey and the Parent-Teacher Association is conducting a parent survey, and all surveys should be completed by the end of February. The Task Force remains committed to completing its work by mid to late March.**

**The City Manager advised that she was personally impressed with the level of dedication and commitment that has been demonstrated by School Safety Task Force members, which is another indication that when people in the Roanoke community volunteer for service, they are committed to making a difference.**

**Council Member Bestpitch reported on the following:**

## **ROANOKE NEIGHBORHOOD PARTNERSHIP:**

### **Roanoke Neighborhood Advocates:**

**The Roanoke Neighborhood Advocates Strategic Plan and By-laws will not be addressed at the 2:00 p.m. Council session as was previously**

indicated because certain wording is in the process of being refined. Council Members are encouraged to offer suggestions/input prior to finalization of the documents.

## **LEGISLATION:**

### **Legislative Committee:**

Periodic updates on actions taken by the Virginia General Assembly at its 2004 Session are received from Thomas Dick, Legislative Liaison for the City of Roanoke. Appreciation was expressed to the City Attorney for coordinating the City's Legislative Program.

Virginia Municipal League Legislative Day will be held in Richmond, Virginia, on February 12, 2004, and Council Members Bestpitch, Cutler, Fitzpatrick, Wyatt and Mayor Smith plan to attend.

## **ZONING:**

### **Zoning Ordinance Update:**

An article in the February 2, 2004 edition of *The Roanoke Times* in regard to the zoning ordinance was a good attempt to present the situation as it currently exists; the work of the Zoning Ordinance Steering Committee should be acknowledged; however, it was noted that the draft of the zoning ordinance which has been released for public comment is far from perfect, it is anticipated that a number of changes will be made, citizens will have an opportunity to provide input, and a refining process will occur over the next three to four months.

Council Member Dowe reported on the following:

## **DOWNTOWN ROANOKE, INCORPORATED:**

### **Downtown Roanoke, Inc. Board of Directors:**

The H & C Coffee Sign has taken an untimely delay due to the death of an individual who was involved in the lighting aspect of the project and the physical boundaries that are actually considered to be downtown Roanoke.

**Council Member Fitzpatrick reported on the following:**

**CONVENTION AND VISITORS BUREAU:**

**Roanoke Valley Convention and Visitors Bureau:**

The relocation of the Roanoke Valley Convention and Visitors Bureau to the Roanoke Railway Passenger Station and the opening of the O. Winston Link Museum is one of the greatest accomplishments of the City of Roanoke and southwest Virginia; additional tourism dollars will come to the Roanoke Valley in 2004 and the more that can be done to showcase the Roanoke Valley as a destination point, the better off the region will be.

**The Mayor reported on the following:**

**HOTEL ROANOKE CONFERENCE CENTER COMMISSION:**

**Hotel Roanoke Conference Center Commission:**

The Hotel Roanoke Conference Center has done an excellent job and officials continue to monitor finances.

**AIRPORT:**

**Improved Air Service to the Roanoke Valley:**

Improved air service would improve economics for the entire Roanoke Valley area, and approximately \$2 million in ticket bank pledges were raised by area governments and businesses in the Roanoke Valley in an effort to attract Air Tran. There is an opportunity to approach another airline, Atlantic Coast Airlines, whose business plan is to fly to 50 markets, with Dulles International serving as its headquarters; and it is rumored that certain cities have been identified as potential service points, and of which is the City of Roanoke, therefore, Roanoke should position itself in order to take advantage of the opportunity at the appropriate time. The City of Roanoke is recognized as the cultural and business hub of the region and in order to demonstrate leadership, the Roanoke Valley will have to become a transportation hub. The Roanoke Valley must promote itself; whereupon, the Mayor requested

input by Council with regard to suggestions on how to move forward. He advised that although no dollar figure is requested today, at some point Roanoke could be called upon to expend funds.

Council Member Fitzpatrick advised that the majority of all airline hubs that have been created over the past 20 years came about as a result of the existence of a maintenance facility, Dulles International does not have maintenance facilities available for Atlantic Coast Airlines, and he would encourage the City of Roanoke to offer Atlantic Coast a maintenance facility, which automatically brings in more flights because aircraft is rotated in and out of the facility.

Dr. Cutler advised that as the City discusses its transportation hub status, it should be reminded of the need to join with others in restoring rail passenger service to the Roanoke Valley and improving rail freight service along Interstate 81, so as to have a total package of Roanoke rolling transportation needs, including improved rail passenger service and low fair air service.

The Mayor advised that the Executive Director of the Roanoke Regional Airport met with officials of Atlantic Coast Airlines and it is believed that a return trip would be in order which should be properly coordinated with the right mix of officials in attendance.

There was discussion in regard to engaging the services of a marketing firm to coordinate the presentation so as to make the best possible impression.

Following further discussion, Ms. Wyatt moved that the City Manager be requested to report to Council as soon as possible with regard to engaging the service of a marketing firm to create a plan to promote Roanoke to Atlantic Coast Airlines as a potential location for air service. The motion was seconded by Mr. Fitzpatrick and unanimously adopted.

#### **COUNCIL-DECEASED PERSONS:**

At the 2:00 p.m. Council session, Mr. Dowe suggested that Council observe a moment of silence in memory of Dr. Nora Kiser Bell, President, Hollins University.



## **BRIEFINGS:**

### **HOUSING/AUTHORITY:**

The City Manager introduced a briefing on Roanoke's International Housing Design and Construction Competition. She advised that for the past five years, the Roanoke Regional Housing Network has been working with the city of Roanoke to develop and implement a national housing design competition in Roanoke; the City is providing seed money to support development of the competition; and the Housing Network has contracted with Gregg Lewis, Architect, SmithLewis Architecture, to manage the project. She introduced Mr. Lewis, and Paula Prince, Assistant Director, Council of Community Services, both of whom are Members of the Roanoke Regional Housing Network, to present details of the program.

Mr. Lewis called attention to a presentation made by William McDonough, an internationally acclaimed architect, in October, 2003, at which time approximately 700 persons participated in a mid morning lecture on his book entitled, Cradle to Cradle: Rethinking the Way We Make Things; and Mr. McDonough has offered to facilitate Roanoke's efforts to do more with local housing design competition. He stated that the proposed Housing Design competition has the potential to generate hundreds of designs from all over the world for housing that will address specific properties within the City of Roanoke; it will be necessary to identify specific pieces of property within the City; and specifics on the various properties will be provided to participants in the competition to enable entries to be site specific from a design standpoint. He explained that the outcome will be the submission of designs that respond to the historic, demographic and socio-economic context, or those things that are specifically unique to Roanoke, rather than a series of academic responses.

He advised that in April, 2004, Mr. McDonough will serve as the key note speaker at a national business conference in Minneapolis, Minnesota, at which time the City of Roanoke, in conjunction with Mr. McDonough, has been invited to formally launch the Roanoke Housing Design Competition to those media outlets that typically attend the conference, which will provide the City of Roanoke with an opportunity to initiate a program that has tremendous potential in terms of raising the visibility of Roanoke on the national and international levels, particularly in the design industry. He added that it is expected to receive the support of the national component of the American Institute of Architects and the National Association of Home Builders; and the goal is that whatever happens in Roanoke in 2004 - 2005 could be transported to other communities in the future so that on the national stage, it will be reported that the City of Roanoke initiated a housing design competition that is unique and offers the opportunity for Roanoke to showcase itself

in a leadership capacity to other communities of its size and larger throughout the country. He called attention to the possible involvement of the Blue Ridge Chapter of the AIA, the Roanoke Regional Homebuilders Association, Blue Ridge Housing Development Corporation, Northwest Neighborhood Environmental Organization, housing authorities of other groups that focus on housing issues, and market rate builders. He stated that his purpose in appearing before the Council is to request that specific sites be made available within the City of Roanoke to be featured on the competition web page and in certain literature that will be transmitted to potential entrants. He explained that the current plan is for the competition jury to convene in Roanoke to review 1,000 or more designs based on specific sites in Roanoke, then move to the construction phase of the project, so that ideally the designs would be taken from the competition as juried in Roanoke, with actual construction of a number of the designs based on available funding, much of which is hoped to come from donation by national building material suppliers. He advised that another important aspect of the proposal is to include schools of architecture from around the country and the world; a number of schools offer design build programs in their curricular; students have participated in internationally administered design competitions, followed by building the projects which is not unlike a Habitat for Humanity, or a Build-a-Thon, or a Home-Aroma; and there would be an opportunity for the City of Roanoke and organizations such as the Chamber of Commerce, church groups, businesses groups, etc., to host students during the summer of 2005 to participate in what could be called a modern day equivalent of the American "barn raising" where a number of houses could be constructed during the course of the summer, in partnership with home builders, the local design community, and students, both local to the Roanoke community and from around the world.

Mr. Lewis opened the floor for comments/suggestions by Council.

There was discussion in regard to:

- Incentives or motivation for individuals to participate in the housing design competition.
- Locations that will be offered as potential construction sites.

- Involvement by Virginia Tech in the program.
- What is the optimum degree of support that the City will provide?
- Conversion of the “cracker box” style house into something that is more fitting within the neighborhood.
- Does the City have an inventory of sites that could be made available for the project?

Mr. Lewis responded that the more specific the information is at the outset, the more specific the solutions will be to Roanoke and to those specific issues faced by Roanoke in the housing community; responses will be site specific and it is hoped to offer prototypical sites within the City of Roanoke, i.e.: one in southeast, one in southwest, one in Gainsboro, one in downtown, etc., and provide as much information as possible regarding potential sites; schools of architecture that decide to participate as a studio based project could send groups of students to Roanoke to familiarize themselves with the community and to view the sites firsthand; students would be furnished with photographs of adjacent houses on the blocks in question, topographic information, code and zoning information, and a comprehensive look at specific sites so that proposed designs will be usable and serve the needs of the various communities.

It was emphasized that Virginia Tech is the home school and has been significantly involved in the program from the beginning; and faculty of Virginia Tech is reviewing the program in terms of establishing a studio based project at Virginia Tech and at the University of Virginia.

Mr. Lewis requested the City’s support by making specific sites available in the City of Roanoke and that the Housing Design Competition program be permitted to link to the City’s website, showing the City’s new logo as an expression of support.

The City Manager advised that several years ago, the City agreed to provide approximately \$25,000.00 to the Roanoke Regional Housing Network to develop the Housing Design Competition, and an additional allocation of \$25,000.00 was recently approved; and approximately 15 sites that are owned either by the City, or the Roanoke Redevelopment and Housing Authority, or Blue Ridge Housing Network have been identified as appropriate sites. She stated that the City wishes to ensure that the Housing Design Competition is not seen exclusively as a competition for

low and moderate income housing; Council has discussed the need to change the concentration of different types of housing within the City of Roanoke; and if the project moves forward, it is anticipated that there may be some level of interest on the part of private property owners to make their property available for construction of these kinds of award winning projects. She stated that if most of the building materials are donated by major building material companies, actual cost of construction of many of the houses will be less than on the open market; there are ongoing efforts with other major organizations in the community that own property for this type of purpose; specific sites will be submitted to Council prior to inclusion on the City's website; and there may be a need for additional monetary investment at some time in the future, which will be determined following nationwide publication of the effort and the level of interest that is expressed.

During further discussion, the City Manager advised that there is a need to diversify the kind of housing that exists in the Roanoke community; there is a need to change demographics relative to the percentage of homeowners, inasmuch as the City of Roanoke has the lowest percentage of homeowners in the Roanoke Valley; there is a need to change the value of housing within the City because over 75 per cent of City houses are currently valued at \$100,000.00, or less; and the City has not, in the broadest sense of the community, invested in new housing to any degree, nor until very recently has it demonstrated an interest in changing certain housing character.

Ms. Prince advised that the Roanoke Regional Housing Network has been working on the project for approximately five years; with the assistance of the City, startup money was allocated to begin design of competition and development work; a grant was received from the National AIA for outreach into Roanoke's neighborhoods and to help the neighborhoods understand that it is possible to design away social problems; however, development efforts came to a crashing halt with the occurrences of September 11, 2001, all of which caused the Regional Housing Network to fall back and regroup. She stated that a good relationship has been maintained with Virginia Tech, and in the Spring of 2001, architectural students from Virginia Tech worked throughout the summer on a house in southeast Roanoke (Southeast by Design) by interviewing residents of southeast, business owners, and representatives of churches that own large plots of empty land, and they gained an understanding of not only the topography of southeast Roanoke, but also of community needs.

In addition, she stated that the program will create good and appropriate infill for Roanoke's various neighborhoods because what is appropriate to Old Southwest

because of its historical overlay will be different than that which is appropriate for properties in other City neighborhoods. She stated that part of the competition, in addition to sustainable and affordable development, will be accessibility for the handicapped, which is an issue that needs to be considered in design elements.

Robert Fetzer, President, Business Specialist, spoke with regard to certain historically incompatible housing that is being constructed in some of Roanoke's neighborhoods, which create a blotting and deteriorating impact on the overall quality of the neighborhood; and the goal of the Housing Design Competition is to encourage good design and sound decisions. He endorsed the Housing Design Competition project and expressed excitement with regard to potential designs and concepts, and advised that Habitat for Humanity, the Blue Ridge Housing Network and other non profit housing providers have endorsed the design competition. He stated that affordability does not have to be sacrificed for good design because it can all come together, the proposed concept fits into the City's Comprehensive Plan, and will set new standards for housing in the design community nationally by setting the bar for Roanoke City to receive this kind of national recognition.

Michael Etienne, Director, Housing and Neighborhood Services, expressed appreciation to Council for supporting the Housing Design Competition effort. He stated that housing competition is a part of the City's efforts to build strong neighborhoods while working in partnership with the local Roanoke Redevelopment and Housing Authority, Blue Ridge Housing Development Corporation, Northwest Neighborhood Environmental Organization and Habitat for Humanity to identify specific sites that will be made available for design competition. He advised that City staff will provide Council with a map illustrating proposed sites for the Housing Design Competition.

**ZONING:** R. Brian Townsend, Director, Planning and Code Enforcement, advised that the proposed zoning ordinance and zoning map consisting of 210 pages is posted on the City's website; the draft document will go through a public review prior to scheduling focus group meetings; public workshops will be held throughout the community; a draft will be available at the Roanoke Public Library and branch libraries; copy will be forwarded to each neighborhood organization along with the appropriate zoning map, to the City Planning Commission, the Board of Zoning Appeals and the Architectural Review Board; and the document will be available to interested persons in the business, design or development community at a cost of \$10.00 per hard copy. He advised that Nancy Snodgrass, City Planner, served as project manager for the zoning ordinance, which represents the next step of the process involving community input; and Chris Chittum served as project

manager for the zoning map which is the first cut of 42 square miles of the City; and at least three to four months will be devoted to the public discussion phase.

There was discussion in regard to ensuring that developers are aware of the document and may provide input; whereupon, Mr. Townsend advised that focus groups will be reconvened, one of which will include the development community, to engage in detailed discussions regarding regulations, etc., and to ensure that all stakeholders have an opportunity for review, questions and comments during the three to four month public input period.

Mr. Townsend advised that questions should be directed to him, or to Ms. Snodgrass and Mr. Chittum; over the next three to four months, they will document all questions and comments, convene the steering committees for the purpose of reviewing all comments and questions, review the draft ordinance and make revisions as appropriate prior to submitting the zoning ordinance to the public hearing process. He stated that many new initiatives are included in the zoning ordinance that were called for in the City's Comprehensive Plan, and the City has not used such regulatory measures before, therefore, the City of Roanoke is breaking new ground.

At 11:10 a.m., the Mayor declared the Council meeting in recess, to be immediately reconvened in the Council's Conference Room to conduct three Closed Sessions.

At 12:30 p.m., the Council meeting reconvened in the Council Chamber, with all Members of the Council in attendance, Mayor Smith presiding.

**COUNCIL:** With respect to the Closed Session just concluded, Mr. Bestpitch moved that each Member of City Council certify to the best of his or her knowledge that: (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act; and (2) only such public business matters as were identified in any motion by which any Closed Meeting was convened were heard, discussed or considered by City Council. The motion was seconded by Mr. Cutler and adopted by the following vote:

**AYES:** Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.

**NAYS:** None-----0.

At 12:32 p.m., the Mayor declared the Council meeting in recess until 2:00 p.m., in the City Council Chamber.

At 2:00 p.m., on Monday, February 2, 2004, the Council meeting reconvened in the City Council Chamber, fourth floor, Noel C. Taylor Municipal Building, 215 Church Avenue, S. W., City of Roanoke, Virginia, with Mayor Smith presiding.

**PRESENT:** Council Members William D. Bestpitch, M. Rupert Cutler, Alfred T. Dowe, Jr., Beverly T. Fitzpatrick, Jr., C. Nelson Harris, Linda F. Wyatt, and Mayor Ralph K. Smith-----7.

**ABSENT:** None-----0.

**OFFICERS PRESENT:** Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; and Mary F. Parker, City Clerk.

The meeting was opened with a prayer by The Reverend Peter M. Watts, Pastor, Roanoke Seventh Day Adventist Church.

The Pledge of Allegiance to the Flag of the United States of America was led by Mayor Smith.

**PRESENTATIONS AND ACKNOWLEDGMENTS:**

**MANAGEMENT AND BUDGET-ACTS OF ACKNOWLEDGEMENT:** The Mayor presented a Plaque and Certificate of Recognition for Budget Preparation to Sherman Stovall, Acting Director, Management and Budget. He advised that the award is issued by The Government Finance Officers Association of the United States and Canada and represents the highest award in governmental budgeting and is presented to those government units whose budgets are judged to adhere to program standards.

**PROCLAMATIONS-LIBRARIES:** The Mayor presented a proclamation declaring February 2004, as "Love Your Library Month".

## **CONSENT AGENDA**

The Mayor advised that all matters listed under the Consent Agenda were considered to be routine by the Members of Council and would be enacted by one motion in the form, or forms, listed on the Consent Agenda, and if discussion was desired, the item would be removed from the Consent Agenda and considered separately.

**EASEMENTS-APPALACHIAN POWER COMPANY-SCHOOLS:** A communication from the City Manager requesting that Council schedule a public hearing for Tuesday, February 17, 2004, at 7:00 p.m., or as soon thereafter as the matter may be heard, to authorize conveyance of an easement to Appalachian Power Company at the Roanoke Academy for Mathematics and Science, was before the body.

Mr. Cutler moved that Council concur in the request of the City Manager. The motion was seconded by Mr. Fitzpatrick and adopted by the following vote:

**AYES:** Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.

**NAYS:** None-----0.

**EASEMENTS-SPECIAL PERMITS:** A communication from the City Manager requesting that Council schedule a public hearing for Tuesday, February 17, 2004, at 7:00 p.m., or as soon thereafter as the matter may be heard, with regard to encroachment into public right-of-way of an awning at 105 S. Jefferson Street, was before the body.

Mr. Cutler moved that Council concur in the request of the City Manager. The motion was seconded by Mr. Fitzpatrick and adopted by the following vote:

**AYES:** Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.

**NAYS:** None-----0.

**OATHS OF OFFICE-COMMITTEES-BLUE RIDGE BEHAVIORAL HEALTHCARE-ARCHITECTURAL REVIEW BOARD-HUMAN DEVELOPMENT-JUVENILE CORRECTIONAL FACILITIES:**



**The following reports of qualification were before Council:**

**Sheri Bernath as a City Representative to the Blue Ridge Behavioral Healthcare Board of Directors, for a term ending December 31, 2006;**

**Barbara A. Botkin as a member of the Architectural Review Board, for a term ending October 1, 2006;**

**Jane R. Conlin as a member of the Human Services Committee, for a term ending June 30, 2004; and a member of the Roanoke Valley Juvenile Detention Center Commission, for a term ending June 30, 2006.**

**Mr. Cutler moved that the report of qualification be received and filed. The motion was seconded by Mr. Fitzpatrick and adopted by the following vote:**

**AYES: Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.**

**NAYS: None-----0.**

#### **REGULAR AGENDA**

**PUBLIC HEARINGS: NONE.**

**PETITIONS AND COMMUNICATIONS: NONE.**

**REPORTS OF OFFICERS:**

**CITY MANAGER:**

#### **ITEMS RECOMMENDED FOR ACTION:**

**CITY EMPLOYEES: A communication from the City Manager advising that military leave at full pay is limited to 15 work days per Federal fiscal year for employees of the City of Roanoke who are military reservists called to active duty; Council approved special military pay on November 5, 2001, to provide supplemental pay for military reservists called to active duty related to the war on terrorism; this special Council action was effective through September 30, 2003, and benefited**

eight City employees called from reserves to active duty; these employees received a total of \$30,290.00 in supplemental pay as a result of Council’s action; and there are 40 reservists in 12 departments within the City of Roanoke full time employment.

The City Manager recommended that Council approve a special policy to pay military reservists who are called to active duty and serve between October 1, 2003 and September 30, 2004, the difference between their military base pay (including any other related compensation received from the military) and pay with the City of Roanoke in their current job; covered employees would be those reservists who are called to active duty related to the country’s war on terrorism subsequent to the employee’s employment with the City of Roanoke; and the supplemental pay will be provided upon request and with the necessary documentation to the Department of Human Resources.

Mr. Bestpitch offered the following resolution:

(#36611-020204) A RESOLUTION authorizing payment of supplementary compensation and restoration of certain benefits to employees who are called to active military duty and serve between October 1, 2003 and September 30, 2004.

(For full text of Resolution, see Resolution Book No. 68.)

Mr. Bestpitch moved the adoption of Resolution No. 36611-020204. The motion was seconded by Ms. Wyatt and adopted by the following vote:

AYES: Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.

NAYS: None-----0.

CITY CODE-FIRE DEPARTMENT: The City Manager submitted a communication advising that effective October 1, 2003, the Virginia Department of Housing and Community Development adopted the year 2000 edition of the Virginia Statewide Fire Prevention Code (SFPC), for the purpose of establishing minimum regulations to govern the enforcement of fire codes for buildings and structures; provisions of the SFPC are based on nationally recognized model fire prevention codes published by the International Code Council, Inc., and are made part of the SFPC by reference; and the SFPC also contains administrative provisions governing the use of the model codes and establishing requirements for enforcement of the code by the local fire departments and other code agencies.

It was further advised that amending the Code of the City of Roanoke will reflect recent amendments to the Virginia Statewide Fire Prevention Code, by referring to updated code sections that were adopted by the State, and are enforced at the local level.

The City Manager recommended that Council adopt an ordinance amending Sections 12-16, 12-17, 12-18, 12-19, and 20-74 of the Code of the City of Roanoke 1978, as amended, to bring the City Code into conformity with recent amendments to the Virginia Statewide Fire Prevention Code.

Mr. Fitzpatrick offered the following ordinance:

**(#36612-020204) AN ORDINANCE amending and reordaining §12-16, Adoption of Virginia Statewide Fire Prevention Code; §12-17, Definitions; §12-18, Amendments; and §12-19, Enforcement, of Article II, Fire Prevention Code, of Chapter 12, Fire Prevention and Protection, and §20-74, Parking, stopping or standing in a fire lane, of Division 1, Generally, of Article IV, Stopping, Standing and Parking, of Chapter 20, Motor Vehicles and Traffic, of the Code of the City of Roanoke (1979), as amended, to update code enforcement regulations; and dispensing with the second reading by title of this ordinance.**

(For full text of Ordinance, see Ordinance Book No. 68.)

Mr. Fitzpatrick moved the adoption of Ordinance No. 36612-020204. The motion was seconded by Mr. Harris and adopted by the following vote:

**AYES: Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.**

**NAYS: None-----0.**

**FIRE DEPARTMENT-GRANTS:** The City Manager submitted a communication advising that the Fire Programs Fund was established by the General Assembly, effective October 4, 1985, pursuant to Section 38.1-44.1 of the Code of Virginia; and the sunset clause requiring expiration of the Fire Programs Fund on July 1, 1990 was removed, thus, the City's annual allocation of State funds will continue indefinitely.

It was further advised that Program guidelines require that funds received are non-supplanting and may not be used to replace existing local funding; funds must be used in accordance with provisions established by the State Department of Fire

Programs; and the City of Roanoke's allocation of \$127,201.85 was deposited into Account No. 035-520-3234-3234 from the Department of Fire Programs.

It was explained that the City's portion of the Roanoke Regional Fire-EMS Training Center debt service is \$60,000.00, which is paid annually from this revenue source; and action by Council is needed to formally accept and appropriate funds, and to authorize the Director of Finance to establish revenue estimates and appropriate accounts in the Grant Fund to purchase equipment and supplies in accordance with provisions of the Fire Programs Fund.

The City Manager recommended that she be authorized to accept the grant, to file documents setting forth conditions of fiscal year 2004 Fire Programs Funds Grant, and to furnish such additional information as may be required; and that Council appropriate grant funds totaling \$127,202.00, with corresponding revenue estimates, in accounts to be established by the Director of Finance in the Grant Fund.

Mr. Dowe offered the following budget ordinance:

(#36613-020204) AN ORDINANCE appropriating funds for the Fire Program Grant, amending and reordaining certain sections of the 2003-2004 Grant Fund Appropriations, and dispensing with the second reading by title of this ordinance.

(For full text of Ordinance, see Ordinance Book No. 68.)

Mr. Dowe moved the adoption of Ordinance No. 36613-020204. The motion was seconded by Mr. Fitzpatrick and adopted by the following vote:

AYES: Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.

NAYS: None-----0.

Mr. Dowe offered the following resolution:

(#36614-020204) A RESOLUTION authorizing the acceptance of the fiscal year 2004 Fire Programs Funds Grant made to the City of Roanoke by the Virginia Department of Fire Programs and authorizing the execution and filing by the City Manager of any documents required by the grant.

(For full text of Resolution, see Resolution Book No. 68.)

Mr. Dowe moved the adoption of Resolution No. 36614-020204. The motion was seconded by Mr. Fitzpatrick and adopted by the following vote:

**AYES:** Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.

**NAYS:** None-----0.

Ms. Helen E. Davis, 35 Patton Avenue, N. E., inquired about the status/location of the City's new fire stations.

The City Manager reported that approximately two years ago, the Fire Chief presented to the Council a master plan for the Fire-EMS Department that contained a number of recommendations, including the eventual replacement/consolidation of a number of fire stations. She advised that the first fire station that was recommended for replacement/consolidation was what is referred to as the headquarters station; Council authorized the purchase of property located at the intersection of Elm Avenue and Franklin Road (east side) and the project is under design; and the building, when constructed, although the construction budget has yet to be approved by Council, will eventually allow for consolidation of staff and equipment that are currently located at Fire Station No. 1, which is located on Church Avenue and Fire Station No. 3. She explained that the Capital Improvement Budget Five Year Plan which was adopted by Council does not provide for construction or modification of additional fire stations until fiscal year 2006-07, and planning for the two stations would have to occur in advance of that date; the budget is tentatively shown for construction of a station in the Williamson Road area to replace Fire Station No. 10, which is currently located at the airport, and a consolidation of Fire Stations 5 and 9 in an area that has been generally defined as the Melrose Avenue area (no specific site has been identified); all fire stations will remain open until their replacement is constructed so that there will be no loss of service in any area; a series of meetings were held in Roanoke's neighborhoods to explain the master plan, and at the time that the Council considers a capital budget for any or all of the above referenced fire stations, a public hearing will be held as a part of the City's operating budget and capital improvements program budget, at which time all citizens will be given the opportunity to comment.

**ROANOKE PASSENGER STATION RENOVATION PROJECT:** The City Manager submitted a communication advising that the Roanoke Passenger Rail Station has been redeveloped by the Western Virginia Foundation for the Arts and Sciences (WVFAS) for use by the Roanoke Valley Convention and Visitors Bureau and the O. Winston Link Museum; the City of Roanoke's Capital Improvement Program includes a funding commitment from the City of \$1,500,000.00 for the project; State funding of almost \$1,488,000.00 has been provided through Transportation Enhancement and High Priority funding categories of the Virginia Department of Transportation; of the City's funding commitment, \$250,000.00 was provided to the WVFAS by Council action in December 2000 (Ordinance No. 35170-121800); and the balance of \$1,250,000.00 was the subject of a formal agreement between WVFAS and the City of Roanoke which included certain conditions by which the funds would be provided to WVFAS (authorized by Council Resolution No. 36068-091602).

It was further advised that conditions include acquisition of matching funds and securitization of an agreement with the O. Winston Link Estate for display of the O. Winston Link art/photo collection in the renovated facility; disbursement of the \$1,250,000.00 is to be made in two equal payments of \$625,000.00, subject to satisfaction of conditions of the agreement; the first payment of \$625,000.00 was made in fiscal year 2002-2003; the second payment will occur in fiscal year 2003-2004; a funding appropriation for the second payment is needed at this time, and conditions for the payment have been satisfied.

The City Manager recommended that Council appropriate \$625,000.00 from Capital Projects Fund Interest Earnings (008-3325) to the Roanoke Passenger Station Renovation Account (008-530-9900-9003) for disbursement to the Western Virginia Foundation for the Arts and Sciences.

**Mr. Cutler offered the following budget ordinance:**

**(#36615-020204) AN ORDINANCE** to appropriate funding for the Roanoke Passenger Station Renovation Project, amending and reordaining certain sections of the 2003-2004 Capital Projects Fund Appropriations and dispensing with the second reading by title of this ordinance.

**(For full text of Ordinance, see Ordinance Book No. 68.)**

**Mr. Cutler moved the adoption of Ordinance No. 36615-020204. The motion was seconded by Mr. Fitzpatrick and adopted by the following vote:**

**AYES: Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.**

**NAYS: None-----0.**

**SIGNS/BILLBOARDS/AWNINGS-SPECIAL PERMITS: The City Manager submitted a communication advising that Trustees of Roanoke College, owners of property located at 616 Jefferson Street, S. E., have requested permission for a tenant, Mai Chen, owner of China City restaurant, to retain an awning sign that encroaches into the public right-of-way of Jefferson Street.**

**It was further advised that the revocable encroachment extends approximately 2.5 feet into the right-of-way of Jefferson Street, at a minimum height above the sidewalk of ten feet; the awning is four feet high; the right-of-way of Jefferson Street at this location is approximately 68 feet in width; and liability insurance and indemnification of the City by the applicant shall be provided, subject to approval of the City's Risk Manager.**

**The City Manager recommended that Council adopt an ordinance, to be executed by the property owner, and recorded in the Clerk's Office of the Circuit Court for the City of Roanoke, granting a revocable license to the property owner at 616 Jefferson Street, to allow the awning sign that encroaches into the right-of-way of Jefferson Street to remain in place.**

**Mr. Fitzpatrick offered the following ordinance:**

**(#36616-020204) AN ORDINANCE granting a revocable license to permit the encroachment of an awning at a minimum height above the sidewalk of 10', extending approximately 2½ feet in the public right-of-way of Jefferson Street, S. E., from property bearing Official Tax No. 4011913, upon certain terms and conditions; and dispensing with the second reading by title of this ordinance.**

**(For full text of Ordinance, see Ordinance Book No. 68.)**

**Mr. Fitzpatrick moved the adoption of Ordinance No. 36616-020204. The motion was seconded by Mr. Harris and adopted by the following vote:**

**AYES: Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.**

**NAYS: None-----0.**

**CITY CLERK:**

**OATHS OF OFFICE-SCHOOLS:** The City Clerk submitted a written report advising that pursuant to Chapter 9, Education, Code of the City of Roanoke (1979), as amended, establishing a procedure for the election of School Trustees, the three-year terms of office of Alvin L. Nash and Ruth C. Willson will expire on June 30, 2004.

It was further advised that pursuant to Section 9-16, Code of the City of Roanoke (1979), as amended, on or before February 15 of each year, Council shall announce its intention to elect Trustees of the Roanoke City School Board for terms commencing July 1 through public announcement of such intention at two consecutive regular sessions of the Council and advertisement of such intention in a newspaper of general circulation in the City twice a week for two consecutive weeks.

It was explained that Section 9-17 of the City Code provides that applications must be filed in the City Clerk's Office by March 10 of each year; applications will be available in the City Clerk's Office and may be obtained between the hours of 8:00 a.m., and 5:00 p.m., Monday through Friday, or applications may be completed online at the City of Roanoke's web page [www.roanokegov.com](http://www.roanokegov.com); and information describing the duties and responsibilities of School Trustees may be obtained in the City Clerk's Office.

There being no questions or comments, without objection by Council, the Mayor advised that the report would be received and filed.

**DIRECTOR OF FINANCE:**

**AUDITS/FINANCIAL REPORTS:** The Director of Finance submitted the Financial Report for the month of December 2003.

There being no questions or comments, without objection by Council, the Mayor advised that the Financial Report for the month of December would be received and filed.



**REPORTS OF COMMITTEES: NONE.**

**UNFINISHED BUSINESS: NONE.**

**INTRODUCTION AND CONSIDERATION OF ORDINANCES AND RESOLUTIONS: NONE.**

**MOTIONS AND MISCELLANEOUS BUSINESS:**

**INQUIRIES AND/OR COMMENTS BY THE MAYOR AND MEMBERS OF COUNCIL:**

**CITY TREASURER-MANAGEMENT AND BUDGET-CITY INFORMATION SYSTEMS:** Council Member Wyatt requested an update on integration of technology between the City Treasurer's Office, the Finance Department and the Office of Management and Budget.

**DECEASED PERSONS:** The Mayor called for a moment of silence in memory of the late Dr. Nora Kiser Bell, former President, Hollins University.

**HEARING OF CITIZENS UPON PUBLIC MATTERS:** The Mayor advised that Council sets this time as a priority for citizens to be heard and matters requiring referral to the City Manager will be referred immediately for response, recommendation or report to Council.

**TAXES-ARMORY/STADIUM-REAL ESTATE VALUATION:** Mr. John E. Kepley, 2902 Morrison Street, S. E., expressed concern with regard to constructing a fire station at the proposed Elm Avenue site.

He advised that on Saturday, February 7, 2004, the citizens of the City of Roanoke will decide who they want to represent them on City Council at the Democratic Party "fire house" primary. He stated that the majority of the present Council has been insensitive to the voice of its constituents and has ignored the request of citizens concerning Victory Stadium. He advised that Council voted for a \$119 million bond issue, and funds were to be used to tear down the present Patrick Henry High School to build a new facility; Council approved another \$344 million bond issue which will lead to even greater debt for Roanoke's taxpayers; and real estate taxes have escalated by 22.25 per cent during the past five years according to the Office of Real Estate Valuation. He stated that the citizens of Roanoke City should be informed concerning this increase in taxes and their voices should and

will be heard on Saturday, February 7, at the Democratic “firehouse” primary.

Mr. Jim Fields, 17 Ridge Crest Road, Hardy, Virginia, spoke in support of renovating Victory Stadium. He stated that the citizens of Roanoke have expressed their support of the stadium through petitions, telephone calls to Council members, and their statements at City Council meetings. He advised that the City of Roanoke does not own Victory Stadium – the facility belongs to the taxpayers of Roanoke; and the property was given to the City in 1941 by the Norfolk and Western Railway Company, with the understanding that the City would maintain the stadium and later the National Guard Armory. He added that Victory Stadium can be used again with some modernization and an amphitheater can be constructed near Victory Stadium; with the proper marketing by the City, Victory Stadium can and will be used and will generate additional revenue for the City through such activities as college football games, Fiddle Fest, etc.; and Victory Stadium should be maintained in memory of the sacrifices of World War II veterans. He again requested that a United States Flag be flown over Victory Stadium. He advised that the Roanoke Civic Center is not being properly promoted and called attention to the small number of events that are booked at the Civic Center during the month of February.

Ms. Evelyn D. Bethel, 35 Patton Avenue, N. E., spoke with regard to neighborhood abuse, and alleged that six positions were eliminated from the City’s Planning and Code Enforcement division. She advised that the Gainsboro neighborhood has worked long and hard to encourage the City of Roanoke to enforce code regulations in reference to inappropriate and unwanted houses in the area; the Gainsboro community has tried to help private citizens who wish to invest in the area, and she referred to two individuals who have encountered difficulty with the City in doing so. She stated that the City should encourage private investors to the area and provide assistance in connection with obtaining loans or grants to rehabilitate houses. She advised that Gainsboro residents will not stand idly by and accept neighborhood abuse; and she would document her statement, if necessary, in an effort to help Gainsboro residents to improve their neighborhood as a residential and historical area and to attract people who are willing to invest in the area.

#### **CITY MANAGER COMMENTS:**

**TAXES-NEIGHBORHOOD ORGANIZATIONS-HOUSING/AUTHORITY-  
COMMUNITY PLANNING-TAXES-REAL ESTATE VALUATION-CITY EMPLOYEES-  
SNOW REMOVAL:** With regard to the previous remarks of Ms. Bethel, the City Manager advised that six code enforcement positions were moved from Planning

and Code Enforcement to the Department of Housing and Neighborhood Services to address code enforcement issues in the City's neighborhoods in a more aggressive manner. She respectfully disagreed that the City of Roanoke is not providing the necessary attention to its neighborhoods; the City has identified the Gainsboro community for the next round of Community Development Block Grant money to complete redevelopment and revitalization of the neighborhood; and the City supports any available private investment and development. She stated that the Assistant City Manager for Community Development will meet with Ms. Bethel following the Council meeting to obtain more specific information with regard to the issue of private interest investment in the Gainsboro neighborhood.

She addressed the previous remarks of Mr. Kepley regarding an increase in real property taxes and advised that the method of real estate assessments in the City of Roanoke is not the responsibility of the City Manager, but the Office of Real Estate Valuation; State Code requires an annual reassessment of real property, and the percentage of increase in real property assessments in the City of Roanoke is at or below those of other Virginia cities.

The City Manager expressed appreciation to City staff for their efforts to clear City streets of snow and ice during the most recent snow event last week which enabled City schools to reopen on Wednesday, as opposed to the Friday reopening by other school divisions in the Roanoke Valley.

**COMMITTEES-TOTAL ACTION AGAINST PROVERTY:** The Mayor advised that there is a vacancy on the Total Action Against Poverty Board of Directors, and called for nominations to fill the vacancy.

Mr. Bestpitch placed in nomination the name of James T. Weber.

There being no further nominations, Mr. Weber was appointed as an Alternate Member to the Total Action Against Poverty Board of Directors, by the following vote:

**FOR MR. WEBER:** Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.

Inasmuch as Mr. Weber is not a City resident, Mr. Bestpitch moved that the City residency requirement be waived. The motion was seconded by Mr. Harris and unanimously adopted.

**PARKS AND RECREATION-COMMITTEES:** The Mayor advised that there is a vacancy on the Parks and Recreation Advisory Board, to fill the unexpired term of The Reverend David Walton, ending March 31, 2005, and called for nominations to fill the vacancy.

Mr. Bestpitch placed in nomination the name of Robert C. Jones.

There being no further nominations, Mr. Jones was appointed as a member of the Parks and Recreation Advisory Board, for a term ending March 31, 2005, by the following vote:

**FOR MR. JONES:** Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.

At 3:00 p.m., the Mayor declared the Council meeting in recess until Tuesday, February 10, 2004, at 12:00 noon, at the Roanoke County Administration Center, Fourth Floor Conference Room, 5204 Bernard Drive, S. W., for a joint meeting of City Council and the Roanoke County Board of Supervisors, to continue discussions with regard to the proposed Western Virginia Water Authority.

The meeting of Roanoke City Council reconvened on Tuesday, February 10, 2004, at 12:00 noon at the Roanoke County Administration Center, Fourth Floor Conference Room, 5204 Bernard Drive, S. W., Roanoke, Virginia, for a joint meeting of Roanoke City Council and the Roanoke County Board of Supervisors, with Mayor Ralph K. Smith and Chairman Richard W. Flora presiding.

**ROANOKE CITY COUNCIL MEMBERS PRESENT:** William D. Bestpitch, M. Rupert Cutler, Alfred T. Dowe, Jr., Beverly T. Fitzpatrick, Jr., C. Nelson Harris, Linda F. Wyatt and Mayor Ralph K. Smith-----7.

**ABSENT:** None-----0.

The Mayor declared the existence of a quorum.

**ROANOKE COUNTY BOARD OF SUPERVISORS PRESENT:** Michael W. Altizer, Joseph McNamara, Michael A. Wray, and Chairman Richard C. Flora-----4.

**ABSENT:** Supervisor Joseph B. Church-----1.

**STAFF PRESENT:**

**Representing the City of Roanoke: Darlene L. Burcham, City Manager; William M. Hackworth, City Attorney; Jesse A. Hall, Director of Finance; Mary F. Parker, City Clerk; George C. Snead, Jr., Assistant City Manager for Operations; Rolanda B. Russell, Assistant City Manager for Community Development; and Michael T. McEvoy, Director of Utilities.**

**Representing Roanoke County: Elmer C. Hodge, County Administrator; Paul M. Mahoney, County Attorney; Diane Hyatt, Director of Finance; Diane S. Childers, Clerk to the Board; John M. Chambliss, Jr., Assistant County Administrator; Dan O'Donnell, Assistant County Administrator; and Gary Robertson, Director of Utilities.**

**OTHERS PRESENT: H. Odell Minnix and Robert C. Lawson, Jr., Board of Directors-Elect, Western Virginia Water Authority.**

**The invocation was delivered by John M. Chambliss, Jr., Assistant County Administrator.**

**The Chairman welcomed everyone to the meeting and advised that following lunch, the business portion of the meeting would convene.**

**At 12:35 p.m., the business session reconvened and Chairman Flora called upon Mike Mussman, Project Manager, Appraisal and Rate Studies Reports, Black and Veatch, Consultants, for a presentation.**

**Mr. Mussman advised that Black and Veatch was supported in the rate study process by Draper Aden Associates; the reports are currently in the evolutionary phase, therefore, only draft summary findings will be reviewed; and calculations have not circulated through Black and Veatch quality control review, nor have all of the reports been thoroughly written. He explained that objectives of the study were to look at equitable contributions per customer for both Roanoke City and Roanoke County, to determine costs of a financially viable utility if 2004 budgets of the City and the County are merged, to perform cost of service studies to determine what constitutes fair and equitable rates for providing water and sewer service, and to evaluate a phase in approach. He stated that the City wants a longer phase in period and the County wants a shorter phase in period for the Authority; and in order to reach an equity determination, good and solid fixed assets for property records information was needed which required an appraisal of City and County utility properties. He introduced Bill Aden, representing Draper Aden and Associates.**

**Mr. Aden stated that the job of Draper Aden Associates was to prepare an inventory of the water and sewer system for the County and the City, which was a massive responsibility; whereupon, he called upon Randall Hancock, Project Manager, to review the findings.**

**Mr. Hancock stated that Draper Aden's task was to prepare quantities, age, and cost of all water and sewer facilities owned by the City of Roanoke and Roanoke County; City and County information was assessed, meetings were held with City and County staff, spreadsheets were prepared which involved separate data bases; some information was available in electronic format by going through the City's and the County's GIS systems; Roanoke City has not reached the same point as Roanoke County in developing its GIS system, especially in regard to sewer, therefore, it was necessary to use old sewer plans and prepare manual takeouts, and manually measure and quantify all information. In collecting the information, he stated that it was necessary to determine the age of water and sewer facilities which was a more difficult task, some of the information was listed in the City's and the County's records, otherwise estimations were made. He added that they looked at all water and sewer facilities; lines, pump stations, fire hydrants, water meters, water sources in the City such as Carvins Cove, springs and new wells that were recently drilled; and they also looked at well systems and the Spring Hollow Reservoir in Roanoke County in an effort to place a value based on financial information from the City and the County, and they arrived at replacement costs for those facilities that did not already have attached values. He stated that not every City and County site was visited; but water treatment facilities for both the City and the County were visited and data was compiled on spreadsheets and turned over to Black and Veatch for valuation.**

**The following is a summary of the presentation by Mr. Mussman on the appraisal and rate study reports.**

**Initial objectives of the study include:**

- Equity Contributions per customer determination**
- Costs for a financially viable utility Authority**
- Fair and equitable general service rates for parties**
- Evaluation of rate phase-in**
- Virginia State Corporation Commission support (if needed)**

**Equity Determination Approach:**

- Appraisal of County and City utility property**
- Draper Aden Associates and parties inventories**

- Black & Veatch RCLD current value estimate
- Findings used for equity and rate purposes
- DAA report support for GASB 34 Asset reporting
- $\text{Equity} = \text{Property Value} - \text{Debt Principal} + \text{Cash}$
- $\text{Equity per Customer} = \text{Equity} \div \text{Number of Customers}$ 
  - Current number of customers served
  - Number of Customers Served by Reserved Capacity

#### **Rate Studies' Project Approach:**

- Authority revenue requirements determination
- Excludes major capital program financing
- Industry - approved allocation methodologies
  - AWWA Base-Extra Capacity for water rates
  - WEF functional cost method for sewer rates
- Cost of service allocations - first and end targets
- Parties' annual unit revenue as guide to phasing
- Typical bills showing rate impact on customers

#### **Initial Draft Report Findings:**

- Per customer equity reasonably close
  - Based on asset value less debt
  - Current customers served
- Rate studies showed phasing feasible
  - Cost of service allocations used as guide
  - Unit revenue same after six years
  - Service charge + volume charge suggested
- Any rate form usable with unit revenue guides

#### **Revised Study Direction:**

- Updated fiscal year 2004 budget data employed
- Contributed available funds reflected
- County agreeable to using City rate form
- Rate merger scenarios feasibility evaluated
  - Three years, six years and ten years
  - County - Uniform Linear Rate changes
  - City - specified annual change limits

**FY 2005 Equity - Per Customer Water and Wastewater Combined:**

<u>Exceptions</u>	<u>City</u>	<u>County</u>
Current ownership (a)	\$12,300.00	\$ 8,900.00
w/o City land (b)	11,600.00	8,900.00
w/o land, w/capacity (c)	10,400.00	11,200.00
w/o land, capacity, growth (d)	10,400.00	10,900.00
w/land, capacity, growth	11,000.00	10,900.00

(a) Value of fixed assets, minus debt, plus cash prior to Authority transfer.

(b) City loans to retain 82.2 per cent of its Water Utility land.

(c) Capacity means County's reservation of WWTP capacity.

(d) Customer growth reflects County's increase in accounts over ten years.

**Three-Year Phase-in:**

<u>Monthly Charges</u>	<u>FY '05</u>	<u>FY '06</u>	<u>FY '07</u>
<b>WATER:</b>			
County Base (a)	\$9.08	\$6.17	\$3.25
County Volume (b)	2.35	2.65	2.95
City Base (a)	3.25	3.25	3.25
City Volume (b)	2.43	2.69	2.95
<b>SEWER:</b>			
County Base (a)	7.08	5.17	3.25
County Volume (b)	2.00	2.47	2.95
City Base (a)	1.08	2.17	3.25
City Volume (b)	2.71	2.83	2.95

(a) Per 5/8 - inch meter equivalency each bill

(b) Per 1,000 gallons

**Impact on FY '2005 Customers' Monthly Bills - Three-Year Phase-in:**

<u>Meter Size/Usage</u>	<u>FY '04</u>	<u>FY '05</u>	<u>Change</u>
<b>WATER:</b>			
County 5/8" - 5,000 gal.	\$22.12	\$ 20.83	(\$1.29)
City 5/8" - 5,000 gal.	14.15	15.40	\$1.25



**SEWER:**

County 5/8" - 5,000 gal	16.48	17.08	0.60
City 5/8" - 5,000 gal.	12.97	14.63	1.66

(a) Monthly Water Bills do not include City and County Utility Tax

**Six-Year Phase-in:**

<b><u>Monthly Charges</u></b>	<b><u>FY '05</u></b>	<b><u>FY '07</u></b>	<b><u>FY '10</u></b>
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**WATER:**

County Base (a)	\$10.54	\$ 7.63	\$ 3.25
County Volume (b)	2.20	2.50	2.95
City Base (a)	3.25	3.25	3.25
City Volume (b)	2.30	2.56	2.95

**SEWER:**

County Base (a)	8.04	6.13	3.25
County Volume (b)	1.76	2.24	2.95
City Base (a)	0.54	1.63	3.25
City Volume (b)	2.65	2.77	2.95

(a) Per 5/8-inch meter equivalency each bill

(b) Per 1000 gallons

**Impact on FY 2005 Customers' Monthly Bills - Six Year Phase-in:**

<b><u>Meter Size/Usage</u></b>	<b><u>FY - 04</u></b>	<b><u>FY '05</u></b>	<b><u>Change</u></b>
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**WATER:**

County 5/8" - 5,000 gal.	\$22.12	\$21.54	(\$0.58)
City 5/8" - 5,000 gal.	14.15	14.75	\$0.60

**SEWER:**

County 5/8" - 5,000 gal.	16.48	16.84	0.36
City 5/8" - 5,000 gal.	12.97	13.74	0.77

- Monthly bills do not include City and County Utility Tax.

**Ten Year Phase-in:**

<b><u>Monthly Charges</u></b>	<b><u>FY '05</u></b>	<b><u>FY '10</u></b>	<b><u>FY '14</u></b>
<b>WATER:</b>			
County Base (a)	\$11.13	\$ 6.75	\$ 3.25
County Volume (b)	2.14	2.59	2.95
City Base (a)	3.25	3.25	3.25
City Volume (b)	2.25	2.64	2.95
<b>SEWER:</b>			
County Base (a)	8.43	5.55	3.25
County Volume (b)	1.66	2.38	2.95
City Base (a)	0.33	1.95	3.25
City Volume (b)	2.63	2.81	2.95

(a) Per 5/8 inch meter equivalency each bill

(b) Per 1,000 gallons

**Monthly Bills - Ten Year Phase-in:**

<b><u>Meter size/usage</u></b>	<b><u>FY '04</u></b>	<b><u>FY ' 05</u></b>	<b><u>Change</u></b>
<b>WATER:</b>			
County 5/8" - 5,000 gal.	\$22.12	\$21.83	(\$0.29)
City 5/8" - 5,000 gal.	14.15	14.50	0.35
<b>SEWER:</b>			
County 5/8" - 5,000 gal.	16.48	16.73	0.25
City 5/8" - 5,000 gal.	12.97	13.48	0.51

- Monthly water bills do not include City and County Utility Tax.

**Conclusions:**

- Rates for all proposed merger scenarios
  - Maintain Authority's financial health
  - Generate slightly more than target revenue
  - Provide cushion for major capital financing
  - Result in fair and equitable rates
- Longer phase-in periods
  - Minimize bill impacts
  - Delay customers paying same rates
- Recommend six year phase-in period
- Results should meet VASCC regulations on rate equity

**Purpose of Final Report**

- Address identified issues
- Identify appropriate annual utility costs
- Plan for a financially healthy utility
- Guide rate level or rate form adjustments
- Recognize alternative rate phasing – three, six, ten years
- Provide a guide for future Authority business decisions
- Not a budget or a long-range financial plan

Ms. Burcham advised that the steering committee, composed of representatives of Roanoke City and Roanoke County, support the Black & Veatch recommendation for a six year phase in of monthly water and sewer charges.

Following discussion, Mr. Fitzpatrick moved that Roanoke City Council support a six year phase in of monthly water and sewer charges. The motion was seconded by Mr. Bestpitch and adopted by the following vote:

**AYES: Council Members Bestpitch, Cutler, Dowe, Fitzpatrick, Harris, Wyatt and Mayor Smith-----7.**

**NAYS: None-----0.**

By roll call vote, the Roanoke County Board of Supervisors also supported a six year phase in of monthly water and sewer charges.

On behalf of Roanoke City staff, the City Manager expressed appreciation to Council for providing the latitude for staff to work on the project with their Roanoke County counterparts.

Chairman Flora expressed appreciation to Roanoke County staff for their many contributions to move the project forward.

Brent Reuss, Vice President, Black & Veatch, Consultants, expressed appreciation to City and County staffs for their assistance in meeting an aggressive time schedule.

The importance of keeping citizens informed about the proposed Western Virginia Water Authority and actions yet to be taken was discussed. It was mentioned that representatives of the City of Roanoke and Roanoke County could present progress reports on the Roanoke Valley government access channel. At some point in the future, it was suggested that both governing bodies jointly recognize the contributions of City and County staff employees who were involved in the establishment of the Western Virginia Water Authority.

A detailed team activity/status report dated February 10, 2004, was presented.

(Twenty-two employee teams are responsible for planning and implementing the transition of City and County utility services to the Western Virginia Water Authority.)

(For full text, see team activity/status report on file in the City Clerk's Office.)

There being no further business, the Mayor declared the meeting of Roanoke City Council adjourned at 1:50 p.m.

**A P P R O V E D**

**ATTEST:**

**Mary F. Parker**  
**City Clerk**

**Ralph K. Smith**  
**Mayor**

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